



# SYDNEY MARKETS

## TWENTY FIFTH ANNUAL GENERAL MEETING

### Minutes of the Twenty Fifth Annual General Meeting

held at 1st Floor Office Level, Building Z, Sydney Markets  
222-238 Parramatta Road, Homebush West  
on Tuesday 15th November 2022, commencing at 10:00am

## 1. Attendance

### Directors (9):

John Pearson.....Chairman	David Hynes.....Deputy Chairman	David Whiteman..... Director
Shaun McInerney.....Director	Mario Messina..... Director	Meegan George .... Director
Caroline Pisciuoneri.....Director	Stephen Pellizzer ..... Director	Billy Lee ..... Director

### SML Senior Managers (6):

Brad Latham ..... Chief Executive Officer	Michael Golden..... CFO/Company Secretary
Shane Chester .....Head of Special Projects	John Pascucci..... Head of Operations
Ned Tesic .....PR/Brand Manager	Firoz Ali.....Site Services Manager

### SML Staff (13):

Conrad D'Cruz .....Finance Manager	Adrian LaCava ..... Operations Manager
Con Kapellos ..... Environment Manager	Shawn Freeburn .....Business Dev/QA Manager
Catherine Roche .....EA to the CEO	Antoinette Nehme ..... Executive Assistant
Zona Tan-Sheppard ..... Marketing Co-ordinator	Shirlene Blom..... Marketing Coordinator
Rintu Kurian .....Accounts Receivables Officer	Gayatri Barot.....Payroll/Customer Service Officer
Vanessa Tseros..... Customer Service Officer	Vince Irace.....Site Maintenance Supervisor
Ronald Booth.....Trades Assistant	

### Visitors (10)

Shannon Maher .PricewaterhouseCoopers – Auditors	Scott Walsh..... PricewaterhouseCoopers – Auditors
Sarina Roppolo....Kardos Scanlan Corporate Lawyers	Swetha Dongre ..... PricewaterhouseCoopers
N T Balanarayan .....Cognizant	Kieran Murphy .....SML Consultant
Abdul El-Saidy .....ASK for IT Pty Ltd	Elbert D'Mellow .....Australian Softnet Services
Dom Arcella ..... Arcella Bananas	Narinder Singh..... QE Foods

### Shareholders (41):

A total of **41** Shareholders (excluding Director Shareholders) were present at the meeting representing **10.5 million** equity entitlement votes and **41** Shareholders viewed online.

**206** valid proxy forms were received from Shareholders who were entitled to vote totalling **22.5 million** equity entitlement votes. This represented **13.5%** of the Company's total equity entitlements. These proxies nominated the Chairman, SML Directors and other individuals as proxy holders.

## 2. Apologies

Nil

## 3. Opening

The Chairman opened the meeting at 10.00 am and introduced the Directors, the CEO and the Company Secretary.

He also noted the presence of Ms Sarina Roppolo from Kardos Scanlan, the Company's legal advisors, and Mr Shannon Maher and Mr Scott Walsh from PricewaterhouseCoopers, the Company's auditors.

## 4. Quorum

The Chairman advised the meeting the Company Secretary had confirmed a Quorum was present and called the meeting to order.

## 5. Proxies

The Chairman noted a number of proxies had been received, were held by the Company Secretary and were available for inspection.

## 6. Notice of Meeting

The Chairman advised the Notice of Annual General Meeting 2022 had been circulated to all members and would be taken as read.

## 7. Rules & Procedure for the Meeting

The Chairman advised the procedure for the meeting would be that the formal part of meeting which included the confirmation of the Minutes of the 24th Annual General Meeting and the discussion and tabling of the Financial Statements would be covered first, followed by General Business.

## 8. Confirmation of Minutes

The Chairman advised the Minutes of the 24th Annual General Meeting held on Tuesday 16th November 2021 had been made available on the Company's website and copies were available at the registration desk to all present.

He then moved that the Minutes of the 24th Annual General Meeting of the Company be taken as read and adopted as a correct record. The motion was seconded by Mr Heath McInerney.

***The Chairman declared the motion to adopt the Minutes of the Twenty Fourth Annual General Meeting as a correct record CARRIED.***

## 9. Presentation – The Year In Review

It was noted a detailed joint message from the Chairman and the CEO was included on pages 2 to 11 in SML's Annual Report 2022, which had been circulated previously to all members.

Brad Latham, Chief Executive Officer, then gave a presentation outlining some key highlights from the year in review as follows:

### **INTRODUCTION**

#### ***Challenging Times***

*The past year has posed many difficult challenges for our industry.*

- *Ongoing COVID-19 Pandemic.*
- *Extreme weather conditions and multiple major flooding events causing far-reaching destruction.*
- *Difficult economic climate.*

*Despite these exceedingly challenging times, the team at Sydney Markets have worked steadfastly to ensure our plans are adaptable and our communications to stakeholders and the public remain clear and candid.*

*The CEO noted the resilience of the Markets, noted SML appreciates the support of stakeholders and acknowledged the SML Team during this period.*

### **FINANCIALS**

- *Profit before income tax was \$4.9 million (2021: \$1 million).*
- *Profit after tax of \$2.8 million (2021: \$0.8 million).*
- *The total capital expenditure for the year was \$3.5 million. This was mainly attributable to preparation work for the construction of Warehouse I and the SML Hub.*
- *Borrowings decreased to \$20 million (2021: \$25 million). Despite the challenging times we were able to reduce borrowings by \$5M during the reporting period.*

#### ***Assistance for Tenants***

*Many of our tenants have experienced a range of challenges in recent times, including the significant negative impact of the ongoing COVID-19 pandemic, reduced customer attendance, multiple major flooding events and severe weather, and the very difficult economic climate.*

*To support our traders at Sydney Markets and Paddy's Markets Flemington and Haymarket whose businesses have been negatively affected by one or more of these factors, SML has provided financial assistance through rent-free periods, rent reductions and rental abatements over many months.*

*The cost to SML was approximately **\$2.5M** this year. The overall rent relief provided to affected tenants since the outbreak of COVID-19 is **\$9.5M**.*

## **KEY HIGHLIGHTS OF THE YEAR**

### **Strategic Planning Update**

#### **Revised Strategic Plan 2022-2027**

*To ensure the business remains relevant to both today's needs and future requirements, SML sets five-year Strategic Plans which are monitored quarterly and reviewed in detail every three years.*

*SML's Board and Management met in June 2022 to revise the 2019-2024 Strategic Plan and establish clear goals and updated initiatives which now form the Strategic Plan for SML for the period from 2022 to 2027.*

*As part of the process leading up to the review, surveys were undertaken with Sydney Markets stakeholders in various sectors of the Industry in order to gain an insight of trends, issues and trading requirements that affect our Industry. The information assists SML in the future planning and site development to ensure SML continues to provide the best environment that supports competitive trade and effective distribution and growth.*

#### **Revised Strategic Imperatives:**

- *Maximise the efficiency, effectiveness and environmental sustainability of both the Flemington and Haymarket sites.*
- *Continue implementation of our innovation program, embracing new technologies that measurably improve the operating environment for SML and our stakeholders.*
- *Deliver on the successful reinvention of the Paddy's Markets Brand.*
- *Engage with key stakeholders to gain a presence in the vicinity of the Aerotropolis.*
- *Maximise the strength of the 'Sydney Markets' Brand.*
- *Ensure the enduring financial viability of Sydney Markets Limited.*

### **Master Plan Projects – Flemington Site**

*A comprehensive Master Plan has been created for Flemington which includes a number of projects for site improvements and development of additional warehouse space on site.*

*Five of these projects have been prioritised and are currently in the initial design and planning stages or under evaluation.*

#### **New Warehouse I – Northwest Precinct (Approximate Timeframe 2022-2023)**

- *New 2,600m<sup>2</sup> warehouse in the northwest precinct of the Markets, adjacent to Warehouse X, with parking underneath.*
- *The following works will also be completed:*
  - Relocation of Plaza Tenants and Staff car park.*
  - New public parking area next to the car sales yard.*
  - Relocation of Hammersmith Road.*
- *Completion expected by late 2023.*

***New Warehouse – Northeast Precinct (Currently being evaluated)***

- *Two-Level Warehouse on Suttons Motors Site – 2,900m<sup>2</sup> Ground Floor Warehouse; 3,500m<sup>2</sup> Level One Warehouse*
- *Considering commercial and residential component on this site.*
- *Suttons Motors lease for this site expires in October 2024.*

***Parramatta Road Frontage (Options being evaluated)***

- *SML is evaluating opportunities for highest best usage of the Flemington site and is in the process of exploring the possibility of obtaining change of usage / rezoning from 'Market Special Use' for the Parramatta Road frontage between Hammersmith Street and Potts Street to include the potential for residential / commercial construction, along with other options for warehouse space.*

***New Warehouse – Western Precinct (Currently being evaluated)***

- *Extension of Car Park V to the North – 4,000m<sup>2</sup> Warehouse on Ground Level with opportunity for Cooking School and permanent Retail Fresh Food Offer.*

***New Elevated Warehouse – Eastern Precinct (Currently being evaluated)***

- *Extension of Car Park Y to the North & South with approx. 12,000m<sup>2</sup> Elevated Warehouse space (single or multiple) on Level Two and 350-400 additional car parking spaces.*

***Innovation & Digital Technology Strategy******The SML Hub***

*One of the most exciting initiatives introduced this year is the SML Hub – our Customer Relationship Management System and Trader Portal. This new online self-service customer portal is accessible 24x7 to enable stakeholders to access information relating to their business and conduct various transactions with SML and give them instant access to all SML resources.*

*The SML Hub went live in July 2022 and information / training workshops have been provided for Market stakeholders.*

*Positive feedback has been received from stakeholders who have started using the system.*

***Innovation Next Steps***

*SML will build on the SML Hub platform to optimise management of the physical Market environment such as digital parking and entry, facilities / utilities / waste management / environment / contractor and service management.*

*As we move forward with this project, further updates will be provided.*

## ***Retail Markets Update***

### ***Two New Paddy's Advisory Committees***

*Two new Advisory Committees have been formed during the reporting period, the Paddy's Haymarket Advisory Committee and the Paddy's Flemington Advisory Committee.*

*Each Committee is comprised of an SML Director, SML Management and five industry representatives nominated by Paddy's stakeholders. This provides opportunity for these representatives to receive strategic, master planning and operational information and to comment on important issues facing Paddy's Markets.*

### ***Paddy's Markets Business Analysis***

*A comprehensive Business Analysis of Paddy's Markets at Flemington and Haymarket was undertaken during 2022 to assist in determining future strategies for maximising stand occupancy and increasing customer attendance.*

*In conjunction with the Business Analysis, Shopper Surveys were also completed for Paddy's Markets at both locations.*

*The results focused on key areas, including:*

- Improved infrastructure*
- Trading times*
- Product Mix*
- Market aesthetics*
- Community engagement.*

### ***Paddy's Markets Haymarket Key Tenant Strategy***

*SML has been negotiating with a potential Key Tenant to occupy space within Paddy's Market with the aim of reinvigorating the Market and driving up customer attendance.*

*This project will require relocation of some traders to new locations around the Market. Management will consult directly with affected traders to ensure this process is undertaken with minimum disruption.*

*SML is now working with our Landlord, Market City, to seek the required approvals from Place Management NSW and finalise negotiations with the potential Key Tenant.*

*Further information will be provided to stakeholders as this project progresses.*

### ***Centre Road Traffic Changes***

*Customers at Paddy's Markets Flemington are now permitted to park their vehicles on Centre Road from 10.00am on Fridays and from 6:00am on Saturdays.*

*Centre Road becomes one-way traffic in a westerly direction with a speed limit of 10kph between 9:00am and 4.30pm Fridays and from 6:00am to 3.00pm Saturdays.*

*Pedestrian safety is paramount. Therefore, forklifts are prohibited from Centre Road entirely during these times and all pedestrians MUST utilise pedestrian accessways.*

## ***Future Market Opportunities Update***

*Sydney Markets continues to work with Government and significant landowners in Western Sydney to explore opportunities to secure the future of the Markets by expanding operations to the area in the vicinity of the new Western Sydney Aerotropolis and unlock potential business opportunities that may be of benefit to Sydney Markets in the future.*

*The expansion of Sydney Markets to Western Sydney in proximity to the new Airport will complement its existing offerings in Flemington and Haymarket, directly responding to the needs of Sydney's growing and evolving population.*

## ***SML Policies Review***

*The impact of the COVID-19 Pandemic over the past two and a half years has had a devastating financial effect on Sydney Markets Limited (SML).*

*During this period extensive costs associated with ensuring the continued efficient operation of Sydney Markets, together with rental abatements and rental deferrals to assist our traders and the intermittent non-trade of our Paddy's Markets brand has put our financial situation under extreme pressure with a focus now to meet our obligations.*

*In view of this, the SML Board reviewed a number of Policies:*

- Waste Collection & Disposal Policy*
- Porterage & Unloading Policy*
- Debtors Policy*
- Paddy's Markets Non-Owner Operated Stands Policy*

### ***Waste Collection & Disposal Policy***

*The Environment Committee conducted an extensive review of SML's Waste Strategy to address continuing significant cost increases by developing a fair and equitable user-pays model for waste management.*

*Changes to the Waste Collection & Disposal Policy were applied from 1 July 2022:*

- New Waste Charges:*
  - Organic Waste Diversion Fee*
  - Transport Charge & Handling Fee*
  - General Waste Sulo Bin Charge (Warehouse & Wholesale)*
  - Providore Waste Levy*
- Changes to tonnage allowances for organic waste that can be delivered by tenants to Green Point free-of-charge.*

*The New Policy is proving successful in producing significant behaviour change towards better waste management practices.*



### ***Porterage & Unloading Policy***

*A detailed Feasibility Study of Porterage & Unloading Services operations on the Sydney Markets site was completed, resulting in changes to the Porterage & Unloading Licence Conditions to apply from 1st July 2022:*

- New Porterage Licence Fee (renewable annually) scaled according to the number of forklifts each company operates applied effective from 1st July 2022.*
- Separate Sorter and Grader Licences with standard annual Licence Fee.*
- Introduction of a Pallet Lift Fee of \$1 per pallet lift (in addition to the new Licence Fees), effective from 1st July 2022.*

*SML Management will be working closely with Porterage Operators in the coming months to conduct auditing processes in relation to Pallet Lift numbers.*

### ***Paddy's Market Stand Occupancy Policy***

*An audit of trading at Paddy's Markets was carried out to determine the extent of stands being operated by persons other than the authorised stallholder.*

*Enforcement of the conditions of the Occupancy Agreement regarding no subletting of stands at Paddy's Flemington and Haymarket is now being implemented through a phased in approach with the initial Casual Stand Fee of \$30 per stand per trading day applicable to stands operated by persons other than the authorised stallholder*

### ***SML Debtor Management Policy***

*A comprehensive review of SML's debtor management processes has been undertaken to assist with managing and minimising outstanding debt.*

*Changes have been made to the Occupancy Agreement and a uniform and consistent Debtor Management Policy has been introduced for the whole of the Market effective from 1st July 2022.*

## ***Corporate Matters***

### ***SML Directors***

- Mr John Pearson was re-elected as Chairman unopposed effective from November 2022.*
- Mr Billy Lee was elected as Growers Market Nominee Director effective from July 2022.*
- Ms Meegan George was elected as Warehouse Nominee Director effective from July 2022.*
- Mr David Hynes was reappointed as Independent Director effective from October 2022.*



## ***Marketing Initiatives***

### ***New Sydney Markets Branding***

*Management has been exploring opportunities for the Sydney Markets Brand to identify the importance of the brand (its meaning/strength) to current operations and future expanded Markets.*

*Based on research and feedback from Stakeholder Surveys, newly refined campaign concepts have been developed to maximise the strength of the brand in areas of maximal opportunity for SML.*

*With this new branding we wish to reflect the vibrancy and innovation of our Stakeholders and announce to the world that Sydney Markets will continue to modernise in line with the industry.*

### ***New Sydney Markets Branding Roll Out***

*Phase One roll out of the new Sydney Markets branding has commenced, including:*

- Video Announcement*
- Media Release*
- Email signatures, Website, SML Hub*
- Digital platforms (social media, Google listing etc.)*
- Stationery (letterhead, envelopes, business cards)*

*Phase Two of the rollout will take place over a six-month period, including updates to:*

- All Market entryways (Austin Avenue, Potts Street, etc.)*
- Lift signage, Digital signage*
- Warehouse Z signage*
- Uniforms (will be replaced as required over the next twelve months)*

### ***Sydney Markets Fresh Awards***

*Hosted by Chris Bath, the 'Come Fly With Us' themed Fresh Awards Event took place at the Sydney International Convention Centre on Wednesday 29th June 2022.*

*The 2022 Fresh Awards was covered by 19 media outlets and reached an total audience of around 208,000 people.*

*The value of editorial coverage achieved through the marketing of the Fresh Awards was \$55,514.*

*Winners of the major Fresh Awards:*

- Greengrocer of the Year ..... Fruitezy – Miranda*
- Florist of the Year ..... Belfield Blooms – Belfield*
- Produce Grower of the Year ..... Grima's Farm Fresh – Horsely Park*
- Wholesaler of the Year ..... Perfection Fresh – Sydney Markets*
- Providore of the Year ..... MD Providores*
- Fresh Content of the Year Award ..... Anita Garrido – Created by Anita*

### ***Sydney Markets Fresh for Kids Program***

*Fresh for Kids continues to work with the Department of Education to ensure that all content on the website aligns with the current curriculum.*

*A total of 500 primary schools throughout NSW and ACT registered for the 2022 Fresh for Kids Canteen Campaign which is aimed at helping school aged children achieve a healthy lifestyle by encouraging them to eat plenty of fresh fruit and vegetables and to participate in physical activity.*

*Management is currently working on a revision of the entire Fresh for Kids program in light of changing attitudes to fresh food consumption within NSW & ACT schools.*

*SML will prepare a proposal in cooperation with the Fresh For Kids Committee with the aim of rolling out in 2023.*

### ***National Retailer Program – A Better Choice!***

*SML have been involved with the national initiative ‘A Better Choice!’ for over two years, while continuing to focus on our existing programs to engage and support greengrocers in NSW.*

*‘A Better Choice!’ is a national program designed to encourage consumers to shop for fresh produce at their local independent fruit and vegetable retailers. The program is jointly funded by the Central Markets and Chambers in each Australian state. The joint Fresh Markets Australia (FMA) and Central Markets Association of Australia (CMAA) initiative supports more than 550 retailers across Australia.*

### ***Sydney Markets Site Improvements***

#### ***Additional Solar Panel Installations on Site***

*Sydney Markets currently has Solar Systems installed at six locations that generate a total of 2.64MW of solar power.*

*Additional Solar Systems will be evaluated for other buildings throughout the site.*

*This initiative helps to improve SML’s sustainability profile, reduces Sydney Markets’ carbon footprint and benefits the environment.*

#### ***Electricity Update***

*It has been well documented in recent months about the increasing cost of electricity for consumers and businesses alike.*

*The SML Board recognises the cost of electricity is a significant issue to Market Stakeholders and has a long-term purchase framework in place for the electricity supply for the Sydney Markets site.*

*This framework involves purchasing our electricity supply through a rolling three-year Flexible Wholesale Purchase Agreement. Under this agreement, SML purchases electricity supply in quarterly allotments to take advantage of low future cost prices rather than locking in the price upfront for the three-year term.*

*This strategy has proven successful, resulting in no increase to the electricity tariffs charged to our stakeholders for the past five years.*

*Our current Agreement was executed prior to the recent electricity market increases and will protect SML businesses from hefty increases until 31 December 2023.*

*Electricity tariff prices will likely increase in 2024 but SML remains committed to providing electricity at the lowest price possible to our stakeholders.*

### **Sprinkling of Market Buildings**

*SML is evaluating the staged installation of Sprinkler Systems in Wholesale Market buildings. This initiative will provide benefits for both SML and Market Tenants.*

*One of the major challenges for Sydney Markets is limited space and logistics. Sprinkling of existing Market Buildings will provide opportunity to increase the height of storage, thus maximising the available storage space in existing Buildings and Warehouses.*

*Also minimises the risk of damage to assets in case of fire.*

### **Repair & Maintenance Programs**

*A wide range of ongoing Repair & Maintenance Programs is undertaken by the SML Site Services Department to ensure both the Flemington and Haymarket sites continue to operate as efficiently and safely as possible for the benefit of all stakeholders.*

*When carrying out works under these programs it is sometimes necessary for the power supply to sections of the Market to be temporarily shut down. SML appreciates the cooperation of all Market Tenants in the coordination of these shutdowns.*

## **Sydney Markets Site Operations**

### **COVID-19 Operational Strategies**

*Since the onset of the COVID-19 Pandemic crisis, Sydney Markets has been working closely with Government Agencies to develop, adapt and implement a range of procedures and changes to Market trading in line with advice from the NSW Government and Health Authorities to minimise the risk of transmission.*

#### *Onsite COVID-19 Testing Facility*

*In 2021, SML made successful representations to NSW Health to establish a COVID 19 Testing Facility at our Flemington site for Sydney Markets stakeholders and the general public. The facility operated 7 days per week from mid-July 2021 through to April 2022 and was one of the busiest testing clinics in the area.*

#### *Onsite COVID-19 Vaccination Clinics*

*Between August 2021 and June 2022, NSW Health ran a number COVID 19 Vaccination Clinics on site at Sydney Markets, providing first and second dose vaccinations as well as Vaccination Booster Clinics during Paddy's Markets trading at Flemington and Haymarket.*

## ***Work Health & Safety***

*SML treats matters of health and safety with the utmost importance at all times and dedicates significant time and resources into adopting and upholding safe work practices, as well as educating stakeholders.*

*We remain vigilant in enforcing Work Health and Safety laws and are in constant communication with SafeWork NSW, Roads & Maritime Services and the NSW Police to support those efforts.*

*SML staff undertake training on a regular basis for a range of Work Health & Safety related processes and procedures.*

*SML maintains ongoing communication and consultation with Market stakeholders on all aspects of Work Health & Safety.*

### *Free Flu Vaccinations*

*In the interests of the health and safety of our stakeholders, SML arranged for Flu Vaccinations to be available at no cost for all Market Tenants again this year at the Sydney Markets Medical Centre in the Market Plaza.*

## ***Environmental***

*Reflecting its role in the sustainable management and conservation of Australia's environment, SML is committed to minimising its own ecological footprint by pursuing environmental best practice and the prevention of pollution in all operations.*

### ***Recycling Rates***

*SML's commitment to sustainable environmental management is highlighted by a recycling rate in excess of 70% for waste generated on site.*

### ***Foodbank & Other Charities – Food Waste Collection***

*SML proudly continues our support of Foodbank, Australia's largest hunger relief organisation, and other food rescue charity organisations including SecondBite, Hands & Feet, Sydney Care and Reach Out as well as various animal shelter organisations.*

*In the twelve months from July 2021 to June 2022 they collected approximately 1,383 tonnes of edible but surplus fruit and vegetables from Green Point and Market businesses that would otherwise be discarded..*

### ***Assistance for Farmers***

*The Sydney Markets Green Point Team continues to provide assistance to NSW farmers by supplying organic waste to feed livestock.*

*Between July 2021 and June 2022 Sydney Markets provided approximately 8,000 tonnes of organic waste through Green Point to more than 30 farmers.*

### ***Environmental Awards***

*At the Banksia Foundation NSW Sustainability Awards held in October 2022, Sydney Markets once again received recognition for its sustainability achievements by being announced as runner-up in the Small and Medium Enterprise Transformation category.*

### ***Other News***

#### ***Sydney Markets Foundation Gala Dinner & Cherry Auction***

*The Sydney Markets Foundation Gala Dinner will be held on Saturday 19th November 2022 at Doltone House Hyde Park, Sydney. The theme for the evening is “Touch of Gatsby”.*

*For the first time, the iconic **Sydney Markets Cherry Auction** will take place at the event.*

*Sponsors for the function are Sydney Markets Limited (platinum sponsor) and Toyota Material Handling (gold sponsor).*

### ***Industry Participation***

*SML’s focus on Industry participation continued over the past twelve months through the Chairman, CEO and other members of the Management Team attending a range of events, including:*

- Hort Connections Conference – Brisbane, June 2022*
- Joint FMA & CMAA meetings – Brisbane, June 2022*
- World Union of Wholesale Markets (WUWM) Conference – Abu Dhabi, United Arab Emirates, October 2022*
- WUWM Asia-Pacific Regional Working Group Meeting – Abu Dhabi, United Arab Emirates, October 2022*

### ***Acknowledgements***

*The Board, Management and Staff at SML greatly appreciate the continuing collaboration, participation and cooperation of all Stakeholders for your assistance in helping Sydney Markets to continue operating as efficiently and as safely as possible.*

*Sincere thanks go to our Directors, Management, staff and contractors and to all stakeholders, in particular those who give their time to represent on the Fresh for Kids Committee, the Paddy’s Advisory Committees and the Council of Market Representatives.*

## **10. Financial Report – 30 June 2022**

The Chairman noted the Financial Report containing the Directors’ Report and the Auditors’ Report in respect of the year ended 30 June 2022 had been distributed.

He called for any questions on the Financial Report and the Directors’ Report.

*There were no questions on the Financial Report and the Directors’ Report.*

The Chairman then called for any questions of the Auditor in respect of the Auditors’ Report or the conduct of the audit.

*There were no questions regarding the Auditors’ Report or the conduct of the audit.*

## 11. Directors' Remuneration

The Chairman asked the Company Secretary to address the meeting regarding the resolution on Directors' Remuneration.

The Company Secretary, Michael Golden, advised that advised Clause 10.11 of the Constitution requires the Company, in general meeting, to determine Directors' remuneration, and hence any changes of Directors fees. He noted Directors Remuneration has not increased for the past two years in view of the negative impact of COVID-19 on the economic environment at the time.

It was further noted that whilst the current economic climate remains challenging, it is important that Directors' remuneration does not fall behind inflation and comparable institutions in order to continue to attract candidates to the Board and avoid catch ups in the future.

Information was provided on Members present at the meeting and proxies received:

Members Present:

41 Members present who are entitled to vote, holding a total of approximately 10.5 million equity entitlements representing 6.3% of the total shareholders' equity entitlements (EE).

Proxies Received:

158 Proxies totalling 20.9 million equity entitlements from Members who are entitled to vote, representing 12.6% of the total shareholders' equity entitlements.

The Company Secretary then read the following resolution:

***That the TOTAL remuneration pool for Directors be increased by the annualised CPI of 3.9% from \$537,152 p.a. to \$558,101 p.a. from 1st July 2022.***

Voting from proxies received was as follows:

- In favour: 45.1% (9.4 million EE)
- Against: 54.5% (11.4 million EE)
- Abstained: 0.4% (0.1 million EE)

***The CS noted that based on the equity entitlements held by Members present, the motion would go to a vote. The Company Secretary then called for a show of hands in favour of and against the resolution and based on the votes from Members in the room, the Resolution was NOT CARRIED.***



## 12. General Business

Having dealt with the formal business of the Notice of Meeting, the Chairman noted the meeting would move on to General Business and opened the meeting for questions or comments from Shareholders.

### **EILEEN YIP – Yep Lum & Co**

- Stated the proud history of Paddy's Markets.
- Thanked the Board for the upgrade of the amenities in Building B.
- Noted she was unhappy with the initial closure of Centre Road but thanked SML for reviewing and changing this decision.
- Would like to see the Leprechaun re-introduced to the Paddy's image/logo.

The Chairman thanked Mrs Yip for her comments and noted that the Board and Management are very focused on the Paddy's brand.

### **GUY GAETA – Paddy's Flemington Trader**

- Tabled a petition of 246 signatures from Paddy's Traders who wanted Centre Road reopened.
- Noted he is also very pleased with the Board's decision to reopen Centre Road.
- Commented that he is concerned that Centre Road may be closed again in the future.

The CEO noted numerous meetings were held with stakeholders regarding the closure of Centre Road. He advised this decision was based on traffic management reports and input from SafeWork NSW. He stated the Board and Management listened to the feedback from Traders and have worked tirelessly to have the road re-opened and emphasised that there are no plans to re-close Centre Road.

- Referred to changes to the Occupancy Agreement in April 2022 and commented on clauses relating to the requirements for Storeholders to maintain public liability insurance.

The CFO advised that recent changes to the Occupancy Agreement only related to the debtors policy. He noted there are different insurance requirements for different sectors of the Markets. 'Storeholders' refers to traders occupying Wholesale modules, not Growers Market or Retail Markets 'Standholders'.

### **HEATH McINERNEY – Fresh Fellas (Wholesaler)**

- Thanked the Board and Management for creating the SML Hub trading platform for stakeholders.
- Noted pallet control is a significant issue and asked if SML can assist in providing some solutions.

The Chairman acknowledged that this has been a long-term issue for Sydney Markets stakeholders and noted that SML is currently considering options to assist with the management of pallets on site.



**WARREN SCANLON – J H Gotts Pty Ltd (Wholesaler)**

- Agreed with Heath McInerney's comments on pallet management.
- Commented there are Work Health & Safety issues relating to the conduct of persons operating forklifts.
- Believes trading hours need to be reviewed.
- Noted SML is having difficulty employing staff in the current environment.

The Chairman noted there have been difficulties in dealing with CHEP in relation to pallet management and SML requires their support to address the matter but the Board is prioritising this issue.

The CEO noted that all businesses are experiencing difficulties with employing staff and SML is utilising contract security staff to assist.

**EMILY ACIKEL – Paddy's Flemington Trader (Take-Away Food)**

- Noted that as a long-term trader at Paddy's Flemington, she has put a lot of effort into her business, which is her livelihood.
- Has concerns about the introduction of casual food traders negatively affecting the permanent food traders.

The CEO advised that the activation of Centre Road included the letting of casual food vans but its re-opening will change this strategy. He noted SML is still evaluating options for casual food traders that don't clash with the offers of permanent food traders.

**ANNETTE SCHINELLA – Paddy's Flemington Trader**

- Questioned the advertising spend for Paddy's Markets.
- Suggested we should be advertising the re-opening of Centre Road.

The CEO noted there is a multi-layered advertising strategy for Paddy's Markets and offered to arrange a meeting with the relevant Managers discuss this strategy.

**SCOTT KOPUZ – Paddy's Haymarket Trader**

- Requested more information about the Doltone House Key Tenant proposal and how it will affect his existing stands at Paddy's Haymarket.

The Chairman advised this project will return the Market to 100% occupancy and restore Paddy's Haymarket as a key destination for tourists and shoppers.

The CEO noted concept approval by the landlord was only granted last week and SML now requires approval from Place Management NSW and potentially the City of Sydney Council. He stated that having a key tenant such as Doltone House is crucial to ensuring the viability of Paddy's Markets. Once approved, consultation with traders will commence.

**YVETTA HROUSKA – Paddy’s Flemington Trader (Y Pillows)**

- *Suggested Retail Markets traders should be recognised in the Fresh Awards.*

The CEO noted a new awards category for Retail Markets has already been included in the planning process for next year’s Fresh Awards Program.

- *Noted she believes there is a requirement for more ATMs in the Market with better accessibility.*

The CEO advised management is currently investigating options for additional ATMs, and also stated the traders have the option of utilising pay pass facilities for customer transactions.

**GUY GAETA – Paddy’s Flemington Trader**

- *Asked who owns the Markets.*

The Chairman advised that the Markets are owned by approximately 2,000 shareholders as an unlisted public company.

## 13. Close of Meeting

The Chairman thanked all those present for their attendance and declared the meeting closed at 11.20am.

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CHAIRMAN